

# FAQs on NEW Enrollment Process for the Federally Facilitated SHOP Marketplace

## **How can I get coverage for my employees through the SHOP Marketplace?**

Now there's a quick and simple way to do this, that's already familiar to many small employers: You can handle the whole process—applying, shopping and enrolling by—contacting an agent, broker, or an insurance company that offers a SHOP Marketplace plan. With this “direct enrollment” process, you don't have to create an online account, or, if you choose, wait to hear about your eligibility from the SHOP Marketplace before enrolling. You should be aware that if you permit your employees to enroll before hearing about your SHOP eligibility, and the SHOP Marketplace later finds that you were not in fact eligible to offer SHOP coverage, you may not be able to access the Small Business Health Care tax credit.

You can use this new “direct enrollment” process in states that are using the Federally Facilitated SHOP Marketplace. But if your business is located in a state that is running its own SHOP Marketplace, you'll need to follow that state's application and enrollment process. If you're not sure of your state's status, you can find out from your agent, broker or insurance company, from [HealthCare.gov](http://HealthCare.gov) or by calling the SHOP Employer Call Center, toll-free at 1-800-706-7893.

## **Why is CMS making this change?**

We're offering this direct enrollment process to allow small employers and their employees to get the benefits of the SHOP Marketplace coverage quickly, while we continue making improvements to [HealthCare.gov](http://HealthCare.gov).

## **Will I be able to offer my employees coverage that takes effect January 1? Has CMS contacted agents and brokers to ensure that employers can get through the process by the December enrollment deadline?**

With direct enrollment, your employees will be able to enroll in time for coverage to take effect on January 1. We're working closely with agents and brokers to make this happen.

## **When will my employees and I be able to apply and enroll in the SHOP online?**

You and your employees will be able to apply and enroll in SHOP coverage online starting in November 2014, for coverage that takes effect in January 2015. That's also when you'll have the option to offer your employees a choice of Qualified Health Plans and be able to make a single monthly payment to insurers, no matter how many plans your employees have selected.

## **How exactly does “direct enrollment” work for the Federally Facilitated SHOP Marketplace?**

You'll go directly to an agent, broker or to an insurance company that offers plans through the SHOP Marketplace. You'll need to pick an insurer that has agreed to offer direct enrollment in SHOP coverage and that can conduct enrollment according to CMS standards.

Working with an agent, broker, or insurer, you can select a Qualified Health Plan. The agent, broker or insurer will help you fill out a paper application for SHOP eligibility and send it in to the Federally Facilitated SHOP Marketplace, but you aren't required to wait to hear back before you and your employees enroll. The application is needed only for qualifying for a Small Business Tax Credit. You could also submit the application yourself, directly to the SHOP. The insurance company can tell you exactly how much coverage will cost and can enroll your employees directly into the plan.

If the SHOP later determines that your business is ineligible to participate in the SHOP Marketplace, you would lose eligibility for the Small Business Health Care Tax Credit—but your insurance company is not required to terminate your coverage.

If you prefer, you can opt to wait to enroll employees until after you receive an official notice of eligibility from the Federally Facilitated SHOP.

## **Does this mean that I don't need to go to HealthCare.gov at all?**

You can go to [HealthCare.gov](http://HealthCare.gov) to view information on available plans and some basic pricing information that can help you choose a plan and insurance company. You can't apply for SHOP eligibility or enroll in SHOP coverage on HealthCare.gov at this time.

Since October 1, HealthCare.gov has offered information about the Federally Facilitated SHOP plans available where your business is located, including a variety of scenarios showing estimated rates based on age and family composition for a hypothetical group of employees.

Starting in December, you will be able to go online and enter the ages of your employees to get more precise premium information, and compare plans.

In order to have access to the expanded Small Business Health Care Tax Credit in 2014 based on coverage offered through the SHOP, you must receive an eligibility determination from the SHOP by completing a paper application available on HealthCare.gov. The agent, broker, or insurance company can also help you complete this form. The SHOP will send you an eligibility determination after it receives a completed application. The SHOP will also send employee enrollment information to the IRS to ensure that, if otherwise eligible, you can claim the tax credit for tax year 2014. You will need to apply and be determined eligible prior to filing your taxes and seeking this tax credit.

## **What are the benefits of getting coverage through the Federally Facilitated SHOP Marketplace?**

If you meet certain requirements, you may be eligible to claim an expanded Small Business Health Care Tax Credit in 2014—but only if you enroll in coverage through the SHOP Marketplace. You have access to the tax credit when you purchase employee coverage through the SHOP Marketplace in any state. Starting in 2014, the tax credit is worth up to 50 percent of an employer's contributions to premiums for covering its employees and their families. This tax credit helps alleviate the financial hardship smaller employers often face when providing employer-sponsored coverage. Since the credit was created by the ACA in 2010, small employers have received over \$1 billion in benefits from this tax credit alone. For tax years starting in 2014, this credit will be available only for coverage purchased through the SHOP.

So long as you have been determined by the Federally-Facilitated SHOP to be eligible to participate in the SHOP, the SHOP will let the IRS know your employees have enrolled in coverage through the SHOP so that, if you're eligible for the tax credit, you can apply for it on your annual tax return.

## **If I submit a paper application, by myself or through an agent, broker or insurance company, how will I hear back and when will I know about my eligibility to participate in the SHOP?**

The Federally Facilitated SHOP Marketplace will notify employers of their eligibility to participate in the SHOP by phone and e-mail, as well as by mail if requested. Employers who have already submitted an application in October or November should receive an eligibility notification in early December, along with information about next steps. Moving forward, the Federally Facilitated SHOP Marketplace expects to notify employers of their eligibility within 3-5 days of receiving a fully completed application either from the employer or from an agent, broker, or insurance company. By using "direct enrollment" you can opt not to wait for an eligibility determination from the SHOP Marketplace before enrolling in a qualified health plan, although you might not be eligible for the Small Business Health Care Tax Credit if the Federally Facilitated SHOP later determines you were not eligible to participate in the SHOP.

## **What happens if I, as an employer, have eligibility issues?**

If the SHOP Marketplace can't determine whether your business is eligible, it will contact you to resolve any outstanding issues. If the SHOP is still unable to resolve these issues, your application may be rejected and you'll be invited to apply again. If you're deemed ineligible for the SHOP Marketplace based on your application, you'll have an opportunity to apply again or to appeal the decision within 90 days of receiving your ineligibility notification.

## **How can I find an agent or broker to help me with my SHOP application?**

State Departments of Insurance and national agent and broker trade associations may have search functions to connect you with local agents and brokers in their area. We are also exploring ways to make it easier for you to find local agents and brokers using [HealthCare.gov](http://HealthCare.gov).

## **What happens if there isn't an agent or broker available to help me?**

You might be able to get assistance directly from an insurance company selling a SHOP qualified health plan. You can also call the SHOP Small Employer Call Center at 1-800-706-7893 between the hours of 9 a.m. – 7 p.m. Eastern Time. A Marketplace Navigator or other assister can also provide information about the Federally Facilitated SHOP or provide help filling out an application, but can't complete a SHOP enrollment.

## **When will I be able to see plan data for the Federally Facilitated SHOP so I can make specific plan choices for my employees?**

Starting in December, you may enter the ages of your employees on [HealthCare.gov](http://HealthCare.gov) and see premium amounts for your employees. You can also receive exact premium quotes for employees and dependents when you contact a broker or are in direct contact with an insurance company authorized to sell Federally Facilitated SHOP qualified health plans to employers.

## **Earlier, employers were told they needed to create an online account before applying for SHOP eligibility. If I already created an online account what happens to that account?**

Employers that already created an online account will be able to access that account as soon as the Federally Facilitated SHOP Marketplace is able to offer users the ability to enroll in coverage online, for coverage beginning in 2015. Until then, you should enroll directly with an agent, broker or insurance company that offers a SHOP qualified health plan.

## **Where can I get more information or help filling out the Federally Facilitated SHOP application?**

Small employers that want further information and assistance can work with an agent, broker, Navigator, or other assister, or go directly to an insurance company with plans certified by the Federally Facilitated SHOP Marketplace. They can also call the SHOP Small Employer Call Center at 1-800-706-7893 between the hours of 9 a.m. – 7 p.m. Eastern Time. To find an assister in your area, please visit [Localhelp.HealthCare.gov](http://Localhelp.HealthCare.gov).

